WILLIAM MUNDELL

Commissioner

Commissioner

RATE OF RETURN.

IN THE MATTER OF THE APPLICATION OF

CITIZENS COMMUNICATIONS COMPANY, ARIZONA GAS DIVISION, FOR A HEARING TO DETERMINE THE FAIR VALUE OF ITS PROPERTIES FOR RATEMAKING PURPOSES. TO FIX A JUST AND REASONABLE RATE OF

RETURN THEREON, AND TO APPROVE RATE)

SCHEDULES DESIGNED TO PROVIDE SUCH

MARC SPITZER

Chairman

JIM IRVIN

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Arizona Corporation Commission

## DOCKETED

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2002 OCT 22 P 4: 34

AZ CORP COMMISSION DOCUMENT CONTROL

Docket No.E-01032A-02-0598

**STAFF'S REQUEST TO** MODIFY PROCEDURAL ORDER

The Utilities Division Staff ("Staff") of the Arizona Corporation Commission ("Commission") hereby requests that the procedural scheduling dates included in the Procedural Order issued on October 18, 2002 be modified for the following reasons.

Prior to receiving the October 18, 2002 Procedural Order, Staff, Counsel for Citizens Communications' Gas Division ("Citizens" and "Applicant"), and Counsel for Residential Utility Consumer Office ("RUCO" and an "Intervener") (collectively referred to as "the Parties") discussed procedural scheduling. Following the Parties' discussions, Staff and RUCO reached an agreement on a purposed schedule ("Attachment") to which Citizens did not object. Staff believes this schedule accommodates all the Parties discussed needs and concerns.

Staff requests that the current procedural schedule be modified to accommodate the purposed procedural schedule in the Attachment.

Staff points out that the purposed schedule provides that both Staff and the Interveners shall file their Direct Testimony within 180 days from the date the Application was found sufficient. Conversely, the current Procedural Order provides that the Hearing shall begin on the 180<sup>th</sup> day from the date of sufficiency. Staff believes that it is both appropriate and necessary for Staff and the Interveners to be provided a 180 day time frame for filing their Direct Testimony included in the

<sup>1</sup> This schedule is attached to this filing and labeled "Jointly Purposed Procedural Schedule".

## Attachment.

Staff believes that the Arizona Administrative Code ("AAC") indicates the appropriateness of Staff's request for a 180 day time frame for filing Direct Testimony. AAC Rule R14-2-103 (B) (11) (b) (i), provides:

Unless otherwise ordered by the Commission, the **staff shall file** its Staff Report and / or testimony within the following number of days from the date that a filing is accepted pursuant to subsection (B)(7):

(i) For Class A utilities, within 180 days.

(Emphasis added.)

This section indicates that a 180 day time frame for Direct Testimony is the standard unless the Commission finds unique circumstances that warrant a deviation. The instant Application is a complex filing in which Staff will need the aide of consultants. If this Application warrants any deviation from the 180 days, it would be for additional time rather than approximately half of the standard 180 day time frame.

Staff further notes that the 180 day time frame is necessary in this particular case. As stated above, this is a complex filing. The Applicant's last rate increase application for the Northern Arizona operations was in 1997 and for the Santa Cruz operations in 1988. Staff will need the aide of consultants to effectively process this Application. Staff has sent out a request for Proposals ("RFP") in order to retain consultants in this matter and is still in the process of selecting and retaining any consultants on this case. Given the necessary time required, Staff would suffer a great hardship if Direct Testimony is due prior to the standard 180 day time frame indicated in the rule.

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For the reasons stated above, Staff respectfully requests that the Procedural Order issued on October 18, 2002, is amended to reflect the attached procedural schedule. RESPECTFULY SUBMITTED this 22<sup>nd</sup> day of October, 2002. Original and fifteen (15) copies were filed 10 this 22<sup>nd</sup> day of October, 2002 with: 11 Docket Control Arizona Corporation Commission 12 1200 West Washington Street Phoenix, Arizona 85007 13 Copies of the foregoing were mailed/faxed this 23<sup>rd</sup> day of October, 2002 to: 14 15 Deborah Scott Associate General Counsel 16 Citizens Communications Company 2901 North Central Avenue, Suite 1660 17 Phoenix, Arizona 85012 18 Gary Smith Vice President and General Manager 19 Citizens Communications Company 2901 West Shamrell Blvd., Suite 110 20 Flagstaff, Arizona 86001 21 Raymond Mason Director, Corporate Regulatory Affairs 22 3 High Ridge Park Stamford, Connecticut 06905 23 Scott Wakefield, Esq. 24 RUCO 1110 West Washington Street, Suite 220 25

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## JOINTLY PURPOSED PROCEDURAL SCHEDULE CITIZENS COMMUNICATIONS CO. – ARIZONA GAS DIVISION RATES DOCKET NO. G-01032A-02-0598

Staff's & Intervenor's Direct Testimony due in Docket C	Monday Control*	4/14/03
Company Rebuttal*	Tuesday	5/13/03
Staff & Intervenor's Surrebuttal*	Monday	6/2/03
Company Rejoinder *	Monday	6/16/03
Hearing	to Tuesday Wednesday	6/24/03 7/09/03
Open Meeting (Suggested)	Tuesday	10/7/03

<sup>\*</sup> The Parties shall file testimony on or before 4 or 5 pm of the deadline date listed above. As well, the Parties shall provide same day delivery (hard copy or e-mail) of testimony when filed.